

M I N U T E S
March 31, 2005
1:30 p.m.

PRESENT: Mark Sidran, Chairman
Philip Jones, Commissioner
Pat Oshie, Commissioner

The regular meeting of the Washington Utilities and Transportation Commission was called to order on Thursday, March 31, 2005, by Chairman Sidran.

Glenn Blackmon, Acting Assistant Director, Regulatory Services, noted that Item A1, UE-031657 was withdrawn. Item A2 was removed from the agenda and there are two Addendums to the agenda.

E)1. 1-000 Consent Agenda

Disposition: Commissioner Oshie moved to approve the consent agenda and direct the Secretary to sign orders and/or letters necessary to affect each action. Commissioner Jones seconded the motion. The motion carried (3:0).

UTILITIES

A)1. Docket Number UE-031657 Pacific Power & Light Company Petition for an accounting order regarding Trail Mountain Mine unrecovered costs. Petition for Accounting Order.

This item was withdrawn by the company.

A)2. Docket Number UE-031878 Pacific Power & Light Company Petition for an accounting order regarding treatment of pension liability. Petition for Accounting Order.

This item was removed by the company.

A)3. 1-013 Docket Number UT-050313 Verizon Northwest Inc. Updates the Unbundled Network Elements (UNE) Tariff, WN U-21, Section 2, General Regulations to comply with the Order on Remand issued by the Federal Communications Commission on February 4, 2005, in WC Docket No. 04-313 and CC Docket No. 01-338. Tariff Revision.

Appearances: Paula Strain, staff; Greg Kopta, Atty; Tim O'Connell, Verizon Wireless

Disposition: Commissioner Oshie moved to allow the tariff filing, as amended on March 29, 2005, to become effective on April 1, 2005, by operation of law. Commissioner Jones seconded the motion. The motion carried (3:0).

A)4. 1-089 Docket Number Docket Number UW-050233 Burton Water Company General rate increase of \$19,584 (15.6 percent) annually. The Company is requesting general rates to help offset increased expenses of labor, materials, and testing. The Company serves about 415 customers in the central part of Vashon Island in King County. Tariff Revision.

Appearances: Jim Ward, staff

TRANSPORTATION: No Transportation items for this agenda.

OTHER

C)1. 1-113 Docket Number UG-050369 Rulemaking to consider whether it is appropriate to develop and adopt rules regarding "decoupling" of natural gas volumetric sales from fixed cost revenue requirements in order to eliminate gas conservation and energy efficiency disincentives and other revenue variables associated with commodity sales volumes. Rulemaking.

Appearances: Roger Braden, staff

Disposition: Commissioner Oshie moved to direct the Secretary to file a Preproposal Statement of Inquiry (CR-101) to review whether the Commission should adopt rules relating to "decoupling" of natural gas volumetric sales from fixed cost revenue requirements for gas companies and, in conjunction with such review, directing Staff to engage in rulemaking with interested parties in accordance with RCW 34.05.310(2). Commissioner Jones seconded the motion. The motion carried (3:0).

C)2. 1-153 Docket Number UG-0011073 Adoption hearing for proposed rules in WAC 480-93, relating to Gas Companies – Safety. Rulemaking.

Appearances: Sondra Walsh, Bob Wallis, Don Trotter, staff; Jim Hogan, PSE; Trent Matson, Building Industry of Washington; Chad Stokes, Atty., Northwest Industrial Gas Users.

Disposition: Commissioner Oshie moved to consider proposal to repeal, amend and adopt rule in Chapter 480-93 WAC for adoption. Commissioner Jones seconded the motion. The motion carried (3:0).

Chairman Sidran recessed the meeting at 2:13 p.m.

RECESSED

Chairman Sidran reconvened the meeting on April 5, 2005, at 10:05 a.m.

Glenn Blackmon, Acting Assistant Director, Regulatory Services, noted that there is one addendum to be addressed.

D)1. Special Presentation. Julia Ryan from Puget Sound Energy will present Risk Management 101, to cover the fundamentals of Northwest energy (especially gas) markets and operational and price risks which face energy utilities, together with some discussion of industry approaches to addressing these.

This is a recessed item to be heard on Tuesday, April 5, 2005, at 10:00a.m., in the Commission's Conference Room 230.

Appearances: Hank McIntosh, staff; Julie Ryan, David Mills, Kimberly Harris, Salman Aladin, PSE; Simon ffitich, Public Counsel; Bob Kahn, NIPPC

The meeting adjourned at 11:37 a.m.

Attested by

Carole J. Washburn, Secretary